

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3329-01
Bill No.: HB 1553
Subject: Children and Minors: Elementary and Secondary Education; Mental Health;
Psychologists
Type: Original
Date: March 21, 2002

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
School Districts	(\$5,300,000 to \$10,600,000)	(\$5,300,000 to \$10,600,000)	(\$5,300,000 to \$10,600,000)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Mental Health (DMH)** state that DMH is not mentioned in the proposed legislation and is given no responsibilities or authority for any actions under the proposal; therefore, assume no fiscal impact to their agency.

Officials from **the Department of Social Services - Division of Youth Services** assume the proposal would result in no fiscal impact to their agency.

Officials from the **Department of Elementary and Secondary Education (DEAE)** state the Special Education Division of DEAE reports that for the upcoming year, approximately 9,000 evaluations and 44,000 reevaluations will take place. This is a total of 53,000 evaluations and reevaluations.

Currently, almost all of these evaluations and re-evaluations are done by School Psychological Examiners (a DEAE certification) and counselors.

Requiring that all evaluations be done by state-licensed psychiatrists and psychologists, or a school psychologist certified under the standards of the National Association of School Psychologists would increase the cost for each evaluation by \$100 to \$200.

\$100 x 53,000 evaluations = \$5.3 million

\$200 x 53,000 evaluations = \$10.6 million

School districts would be required to fund this impact. They would have a variety of funding source options (federal, state or local revenues). Districts might be able to reallocate existing funding streams.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Local Government

FY 2003
(10 Mo.)

FY 2004

FY 2005

SCHOOL DISTRICTS

<u>Cost - Administration of Evaluations and Re-Evaluations</u>	(\$5,300,000 to \$10,600,000)	(\$5,300,000 to \$10,600,000)	(\$5,300,000 to \$10,600,000)
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ESTIMATED NET EFFECT ON SCHOOL DISTRICTS	<u>(\$5,300,000 to \$10,600,000)</u>	<u>(\$5,300,000 to \$10,600,000)</u>	<u>(\$5,300,000 to \$10,600,000)</u>
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FISCAL IMPACT - Small Business

Psychiatrist and psychologist practices could be impacted by this proposal with increased income from evaluations and re-evaluations.

DESCRIPTION

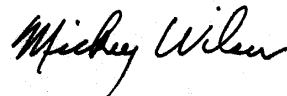
This proposed legislation prohibits public schools from administering psychological examinations designed to elicit specified types of personal information without receiving prior consent from students' parents or guardians. Schools are also directed to allow parents or guardians of children involved in research or experimentation programs to inspect all related instructional material.

The proposal permits only licensed psychiatrists and psychologists and certified school psychologists to perform psychological examinations of public school students.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Elementary and Secondary Education
Department of Social Services
Division of Youth Services
Department of Mental Health



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Acting Director
March 21, 2002